



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
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Ted Stewart
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February 29, 1996

Phillip Palmer
Diamond K Gypsum, Incorporated
1600 South Redview Drive
P. O. Box 35
Richfield, Utah 84701

Re: Formal Approval of Form and Amount of Reclamation Surety, Diamond K Gypsum, Inc., DKG Quarry, M/015/041, UTU-69860, Emery County, Utah

Dear Mr. Palmer:

On February 28, 1996, the Board of Oil, Gas and Mining formally approved the form and amount of reclamation surety for Diamond K Gypsum, Inc.'s DKG Quarry. The reclamation surety is a Letter of Credit (L/C) issued by Key Bank of Utah for \$29,400 jointly listing the Division and BLM. The Division hereby grants final approval of the mining and reclamation plan for the DKG Quarry.

The Division's final approval was conditioned on receiving consolidated permitting information within 60 days of the issuance of approval, as stated in the Division letter of July 18, 1995. The Division received a copy of the DKG Quarry consolidated plan document on February 2, 1996; therefore, this condition has been satisfied. We have not yet completed a review of the consolidated plan, but expect to do so within the next 30 days. We will contact you if any modifications to the document are needed.

Please find enclosed copies of the signed Reclamation Contract and surety forms for your files. Please note that minor modifications were made to pages 1, 5, 7 and 8 of the Reclamation Contract as requested by the Board. Thank you for your cooperation and patience in completing what has turned out to be a longer than usual final approval process. Please call me if you have any questions in this regard.

Sincerely,

Anthony A. Gallegos
Senior Reclamation Specialist

jb
Enclosures: Signed Reclamation Contract w/LOC & 2/13/96 explanation
cc: Bryant Anderson, Emery County w/enclosures
Neil Simmons, BLM, San Rafael RA w/enclosures
M015041.APV

